

### **103 KAR 25:050. Factors and agents.**

RELATES TO: KRS 139.010

STATUTORY AUTHORITY: KRS131.130(1)

NECESSITY, FUNCTION, AND CONFORMITY: This administrative regulation interprets the sales and use tax law as it applies to transactions involving factors and agents.

Section 1. A factor, or agent of an owner, or former owner or factor, to whom property is consigned, entrusted, or otherwise delivered for the purpose of selling shall be considered the retailer of such property when sold. Said factor, or agent, shall include the retail selling price of said property in his gross receipts and be liable for the sales tax thereon; provided, however, that said factor or agent need not include the retail selling price of the subject property in his gross receipts in those instances where the principal involved is a retail permit holder under the Kentucky Sales and Use Tax Act, and said principal includes the retail selling price of the subject property in his gross receipts.

Section 2. The delivery in this state by a factor, or agent of an owner, or former owner or factor, to a consumer or person for redelivery to a consumer pursuant to a retail sale made by a retailer not engaged in business in this state shall be considered a retail sale. Said factor, or agent, shall include the retail selling price of said property in his gross receipts and be liable for the sales tax thereon; provided, however, that said factor or agent need not include the retail selling price of the subject property in his gross receipts in those instances where the principal involved is a retail permit holder under the Kentucky Sales and Use Tax Act, and said principal includes the retail selling price of the subject property in his gross receipts. (SU-36; 1 Ky.R. 144; eff. 12-11-1974; Tam eff. 5-20-2009; TAm eff. 6-22-2016.)